

## **REMARKS**

Claims 1-7, 9-14, 16-19, 21-24, 26-31 and 32-34 are now pending in the application. The allowance of Claims 27 and 32-34 is acknowledged. The Examiner is respectfully requested to reconsider and withdraw the rejection in view of the amendments and remarks contained herein.

### **REJECTION UNDER 35 U.S.C. § 102**

Claims 1-7, 9-11, 14, 16-17, 19, 21-24, 26, 28 and 30 stand rejected under 35 U.S.C. § 102(e) as being anticipated by the Bowen '128 patent (U.S. Pat. No. 6,589,128). This rejection is respectfully traversed.

Applicant respectfully states his position that the Examiner has misinterpreted the relevance of the Bowen '128 patent in regard to each of the independent claims. In particular, FIGS. 2-5 of the Bowen '128 patent illustrate a transfer case (16) having:

- a) an input shaft (52) driven by the powertrain;
- b) a rear output shaft (30);
- c) a front output shaft (40);
- d) a transfer unit (60) having a first sprocket (180) fixed for rotation with rear output shaft (30), a second sprocket (182) rotatably supported on front output shaft (40), and a chain (186);
- e) an mainshaft (54);
- f) a reduction gearset (58) having a sun gear (114) driven by mainshaft (54), a ring gear (116) and pinions (118) supported on a carrier (120) that is coupled to rear output shaft (30);

- g) an input clutch (56) for selectively coupling mainshaft (54) to input shaft (52);
- h) a direct clutch (62) for selectively coupling rear output shaft (30) to input shaft (52);
- i) a low brake (64) for selectively braking ring gear (116);
- j) a transfer clutch for selectively coupling transfer unit (60) to front output shaft (40); and
- k) an electric motor (68) for driving mainshaft (54).

As such, the Bowen patent teaches that **BOTH** the powertrain (12,14) and the electric motor (68) are operable to drive rear output shaft (30) while transfer clutch (66) is the only means of transmitting drive torque to front output shaft (30).

In contrast, the Applicant's claimed invention permits the electric motor to drive the front wheels independently of the drive torque transferred by the powertrain to the rear wheels. Accordingly, the hybrid drivetrain of the Bowen '128 patent does not anticipate or render obvious the novel arrangement now claimed.

The Examiner relies on FIGS. 11A and 11B of the Bowen '128 patent to support the rejection. While this rejection is incorrect, the Applicant believes that FIGS. 11A-11B are useful in clearly demonstrating that each pending independent claim is distinguished from the teachings of the Bowen '128 patent. Specifically, FIG. 11A indicates that electric power from motor (68) drives the sun gear (114) with the ring gear (116) braked (via low brake 64) to drive the carrier (120) at a reduced speed which in turn drives rear output shaft (30) and transfer unit (60). As seen, transfer clutch (66) is released such that no drive torque from motor (68) is delivered to front output shaft (40)

such that a rear-wheel drive electric mode is established. FIG. 11B illustrates engagement of input clutch (56) to combine the power from the powertrain with the power from motor (68) to establish the rear-wheel drive hybrid mode wherein no drive torque is delivered through transfer clutch (66) to front output shaft (40). FIG. 11C illustrates the rear-wheel drive engine mode with motor (68) off and power from the powertrain delivered to rear output shaft (30).

Accordingly, the Bowen '128 patent does not teach, disclose or suggest an arrangement capable of establishing an electric operating mode where the electric motor drives the front output shaft with no power delivered to the rear output shaft via the powertrain, as required by the pending claims.

The allowability of dependent claims 12, 13, 18, 29 and 31 is acknowledged.

CONCLUSION

It is believed that all of the stated grounds of rejection have been properly traversed, accommodated, or rendered moot. Applicant therefore respectfully requests that the Examiner reconsider and withdraw all presently outstanding rejections. It is believed that a full and complete response has been made to the outstanding Office Action, and as such, the present application is in condition for allowance. Thus, prompt and favorable consideration of this amendment is respectfully requested. If the Examiner believes that personal communication will expedite prosecution of this application, the Examiner is invited to telephone the undersigned at (248) 641-1240.

Respectfully submitted,

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